Saskmilk

UPDATE

August 15, 2012

QUOTA EXCHANGE

The market-clearing price established for the August, 2012 Quota Exchange was $30,000.00

The next Quota Exchange will be held on September 17, 2012. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SaskMilk office by midnight, September 6, 2012. SaskMilk recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange. Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange. The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase.

The results of the Quota Exchange are outlined in the following Table.

AUGUST, 2012 QUOTA EXCHANGE RESULTS SUMMARY

Market Clearing Price per kilogram of butterfat	**$30,000.00**
Daily Kilograms offered to Purchase	**1.00**
Kilograms offered to Sell	**102.50**
Kilograms sold	**1.00**
Number of Producers	
- offered to purchase	**1**
- purchased quota	**1**
- offered to sell	**7**
- sold quota	**3**

AUGUST, 2012 QUOTA EXCHANGE CLEARING PRICE RESULTS

Price ($/daily kg b.f.)	No. of Sellers	Cumulative Sellers	Daily Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Daily Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
$30,000.00	**3**	**3**	**41.50**	**41.50**	**40.50**	**1.00**	**0.00**	**1**	**0**
$30,500.00	1	4	26.00	67.50	66.50	1.00	0.00	1	0
$31,000.00	2	6	15.00	82.50	81.50	1.00	1.00	1	1
$31,200.00	1	7	20.00	102.50	102.50	0.00	0.00	0	0

TRANSFER CREDIT SUMMARY REPORT

MONTH	# OF PRODUCERS TRANSFER IN	# OF PRODUCERS TRANSFER OUT	TOTAL KGS BUTTERFAT
July	14	13	18,903
August	19	26	29,476
September	14	13	15,745
October	23	21	25,971
November	25	27	27,199
December	23	22	22,169
January, 2012	18	16	22,543
February	18	16	13,595
March	16	16	8,585
April	30	18	27,232
May	13	12	12,700
June	11	12	9,467
July	7	7	6,610

OVER QUOTA (OVER 10 DAYS) REPORT BY MONTH

MONTH	# OF PRODUCERS	KGS BUTTERFAT
July	2	267
August	1	78
September	2	157
October	3	357
November	3	329
December	4	1,032
January, 2012	10	2,606
February	11	4,724
March	11	3,154
April	27	9,368
May	22	3,358
June	9	1,120
July	5	441

SUMMARY REPORT OF CREDITS July, 2012 – 172 PRODUCERS

DAYS	# OF PRODUCERS	POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)
+10	0	0
+ 5 to +10	10	3,625
0 to + 5	51	16,197
TOTAL	61	19,822
DAYS	**# OF PRODUCERS**	**NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)**
-20	0	0
-15 to -20	18	-32,060
-10 to -15	15	-42,372
-5 to -10	29	-27,692
0 to -5	49	-18,446
TOTAL	111	-120,570

WEIGHTED AVERAGE COMPONENT TESTS & PRICES July, 2012

Components	Average Test	Price per kilogram Class 1 to 5
Butterfat	3.7255	11.622701
Protein	3.2222	8.622701
Other Solids	5.7017	1.218249

Based on the average component tests for the province, the average price received was **$78.0305** per hectolitre. **The average butterfat price received per kilogram was $20.93.**

SASKATCHEWAN MILK POOL RESULTS July, 2012

Milk Sale Revenue	$ 14,470,579.20
Western Milk Pool	$ 812,717.23
Dairy Farmers of Canada Skim Off	$ - 15,734.13
Plant of Last Resort Service	$ - 55,491.49
Total Pool Value	**$ 15,212,070.81**

LOST OPPORTUNITY REPORT

MONTH	# OF PRODUCERS	LOST OPPORTUNITY (KGS OF BUTTERFAT)
July	24	7,904
August	24	10,994
September	28	13,098
October	21	8,137
November	18	5,354
December	10	2,240
January, 2012	6	1,106
February	4	1,487
March	8	3,854
April	13	9,776
May	10	5,501
June	11	6,523
July	16	9,952

SK Milk Production

In July, Saskatchewan had a monthly CDC allocation of **721,246 kilograms** of butterfat. In the month of July, Saskatchewan production was **1,920 kilograms** of butterfat **over** and cumulatively **under** by **-33,997 kilograms** of butterfat. On a percentage basis, Saskatchewan is at **-0.38%** within our CDC allocation flexibility limits based on the Continuous Quota model. The -1.50% lower flexibility limit is in effect.

	(1) Monthly Total Production Kgs bf	(2) Total Monthly CDC Quota Allocation Kgs bf	(3) Monthly Over or (Under) Production Kgs bf col. 1 – 2 = 3	(4) Lower Flexibility Limit **(1.5%)** Kgs bf col. 9 * -1.5%	(5) Upper Flexibility Limit **1.0%** Kgs bf col. 9 *1.0%	(6) Cumulative Over or (Under) Production with limits Kgs bf	(7) Cumulative Over or (Under) Production with limits in - % col. 6 / 9	(8) Over Quota or (Lost Production Opportunity) Kgs bf	(9) Rolling 12 Month Total Quota Kgs bf
July-11	725,673	736,879	(11,206)	(177,781)	44,445	**(177,781)**	**-2.00%**	(4,296)	8,889,063
Aug-11	733,202	745,258	(12,056)	(178,337)	44,584	**(178,337)**	**-2.00%**	(11,500)	8,917,847
Sep-11	716,780	744,377	(27,597)	(178,670)	44,667	**(142,052)**	**-1.59%**	(63,882)	8,933,497
Oct-11	762,771	774,160	(11,389)	(134,262)	44,754	**(134,262)**	**-1.50%**	(19,179)	8,950,830
Nov-11	754,256	767,286	(13,030)	(134,481)	44,827	**(134,481)**	**-1.50%**	(12,811)	8,965,400
Dec-11	786,189	790,598	(4,409)	(134,551)	44,850	**(138,320)**	**-1.54%**	(570)	8,970,053
Jan-12	800,269	771,312	28,987	(134,755)	44,918	**(109,363)**	**-1.22%**	0	8,983,638
Feb-12	752,035	725,489	26,546	(135,400)	45,133	**(82,817)**	**-0.92%**	0	9,026,671
Mar-12	781,420	769,585	11,835	(135,588)	45,196	**(70,982)**	**-0.79%**	0	9,039,176
Apr-12	744,524	735,251	9,273	(135,553)	45,184	**(61,708)**	**-0.68%**	0	9,036,834
May-12	765,359	754,299	11,060	(135,605)	45,202	**(50,772)**	**-0.56%**	0	9,040,303
June-12	737,921	723,028	14,893	(135,565)	45,188	**(35,917)**	**-0.40%**	0	9,037,685
July-12	723,166	721,246	1,920	(135,331)	45,110	**(33,997)**	**-0.38%**	0	9,022,051

(1) Monthly Production in Saskatchewan
(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward
(3) Difference between the monthly production (1) and the total monthly quota (2)
(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)
(5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)
(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)
(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits
(8) Over Quota or (Lost production opportunity) outside of flexibility limits
(9) Total Monthly CDC Quota Allocation for the previous 12 months

Controlling Bulk Tank Somatic Cell Counts

Dr. Christopher Luby. Assistant Professor, Dairy Field Service
Western College of Veterinary Medicine

On August 1, 2012 the SCC limit decreased to 400,000 cells/ml. Penalties will be applied according to this limit starting January 1, 2013.

Decreasing SCC is a challenging but achievable task. The most common mastitis control program is the five point plan which was developed in 1969. This plan provides a good basis for reducing bulk tank SCC.

1. Hygienic milking and housing management:
   a) Teat disinfection following milking: apply the disinfectant to the entire teat. Dipping is usually more reliable than spraying.
   b) Wear gloves during milking: decreases bacteria on hands by 75%.
   c) Keep stalls clean and dry: decreases the odds of a new infection up to 1.5 times.

2. Prompt treatment of clinical mastitis: You cannot treat your way out of a high SCC as cure rates for clinical mastitis vary according to the cause. For example, *Staph aureus* tends to have lower cure rates than other causes of mastitis. Always treat with an antibiotic labeled for treatment of mastitis based on the advice of your veterinarian.

3. Treatment of all cows with a dry cow product at the end of lactation: This is crucial for preventing new infections during the dry period. Your choice of dry cow product should be made based on the advice of your veterinarian.

4. Cull chronically affected cattle: This can reduce new *Staph aureus* infections by 40%.

5. Regular milking machine maintenance: The teat end is the major access route for bacteria into the udder. Regular milking machine maintenance promotes good teat health and prevents mastitis.

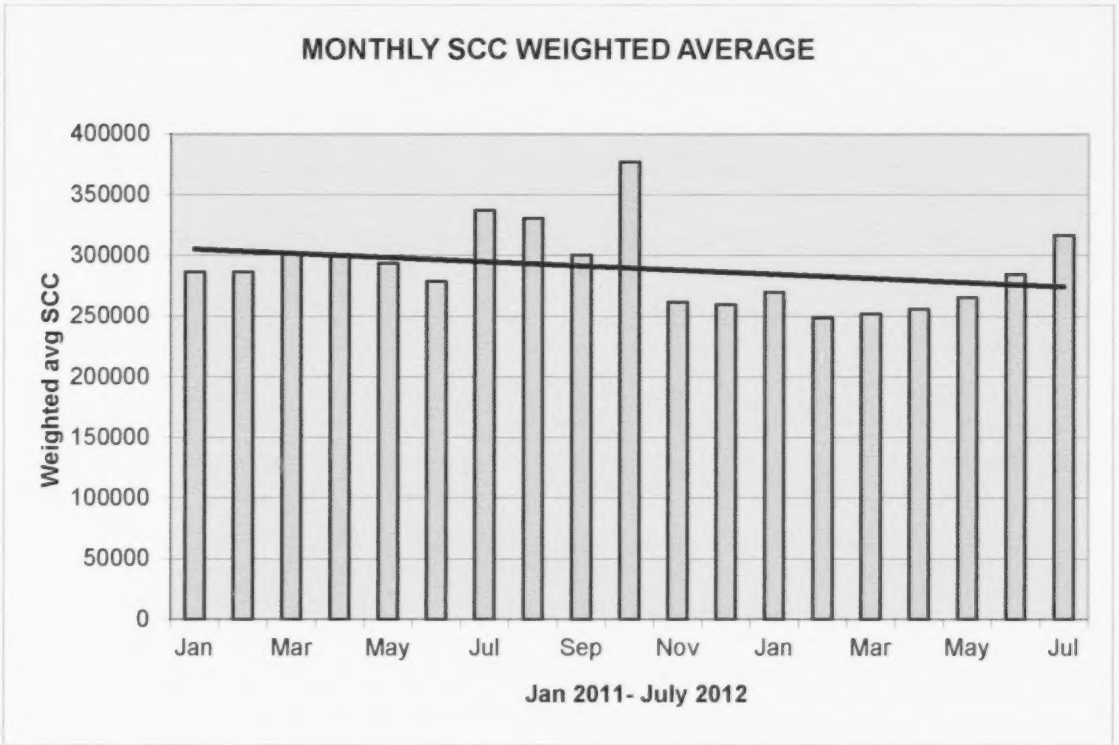
Your herd veterinarian should be your major resource for mastitis control. Other resources include the National Mastitis Council (http://www.nmconline.org) and the Canadian Bovine Mastitis Research Network (http://mastitisnetwork.org/).

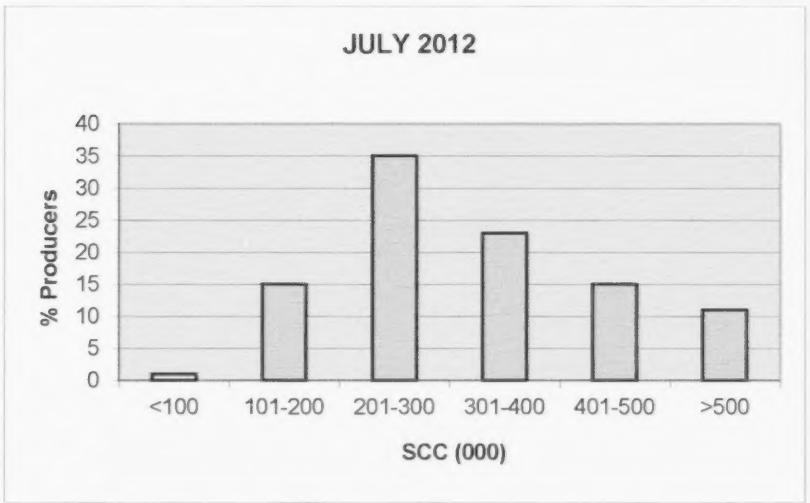
SCC LIMIT CHANGING TO 400,000

Effective August 1, 2012, the SCC limit is changing to 400,000. From August 1, 2012 until December 31, 2012 violation of the new limit will be indicated by a Warning. Penalties will be applied according to the new limit starting January 1, 2013.

The following graphs provide producers with an overview of the Provincial Somatic Cell Count weighted average on a monthly basis as well as a breakdown of the % of producers in each SCC level for the month of July.

If you have any questions contact: Deb Haupstein at 306-721-9486.





Producer Input Requested for Manure Management Research Project

T.A.(Terry) Fonstad, Ph.D., P.Eng.

The Saskatchewan Ministry of Agriculture's Agriculture Development Fund (ADF) has indicated to Dr. Terry Fonstad, P.Eng. at the College of Engineering, University of Saskatchewan, that they would be interested in a proposal in regards to manure management on dairy farms. The proposal could cover methods to reduce manure management costs on dairies and/or methods to extract value from manure. The latter could include items such as solids separation, anaerobic digestion, etc.

Dr. Fonstad's research team is soliciting input from producers as to the type of research they would like to see completed in the area of cost reduction of manure management and what type of information would be useful to them. Further to this, they would be open to conducting some of the research on local dairies in addition to some of the work being completed at the newly constructed U of S Dairy Research facility.

- *What type of research work do you feel should be completed in the next three years to assist dairy producers with manure management?*
- *What information, either from research to be completed at the U of S or collected from other sources, would you find useful for your dairy? And why?*
- *Would be interested in cooperating with this research by allowing access to your farm to gather data?*

If you have questions or comments please contact:

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1912-2012, College of Engineering Centennial Year

August 2012 Research Report
By Jack Ford

I was recently asked by one of my fellow board members about feeding winter wheat to replace barley. The answers that I got back were that you can use up to 20% wheat in your grain rations, before you do anything you should talk to your nutritionist. It is looking more and more like feed is going to become a very scarce commodity across North America this winter. By and large, we in Saskatchewan can consider ourselves very fortunate!

I am very pleased to tell you that our first three Canadian Agricultural Adaptation Program (CAAP) funding applications were all successful in receiving funding. I would like to thank the Agriculture Council of Saskatchewan (the overseeing funding body in our province) and Agriculture and Agri-food Canada, because without their generous support, there would be very little research activity anywhere in Canada.

August 2012 Research Report (continued)

With the exception of one project with Feeds Innovation Institute (FII) all of the projects were funded via our quota rental agreement with the University of Saskatchewan.

The three projects and their dollar value are:

FII project to create a feeds network, SaskMilk Contribution $7,300 (cash and in-kind), total project value $103,000. This also includes $3,000 each from Saskatchewan Egg Producers, Chicken Farmers of Saskatchewan, Saskatchewan Oat Development Commission, Sask Pork and the Canola Council of Canada. We would like to thank these other agencies for their support to this project. The project objective is to educate the industry on the research capacity at the CFRC (Canadian Feed Research Facility), engage the industry regarding specific individual needs, and enable individual company or producer uses of the facility through design of targeted research pathways.

Glycerol project, SaskMilk Contribution $12,800 (cash and in-kind), total project value $90,000. The project objective is to develop a new and alternate means of providing energy to high producing dairy cows throughout the lactation period and eliminating some of the restrictions placed on current feeding regimes in Western Canada; recognizing that if one single unique feed arising from biofuel production is not the total answer; then what combinations of these feeds will most meet the needs of dairy producers to increase efficiency of milk production in their herds; and to increase the marketability and market share of Saskatchewan based biofuel processing co-products (glycerol, wheat distillers' dried grains and high fat canola meal.

Saskatchewan Dairy Herd Health & Screening Initiative, SaskMilk Contribution, $10,800 (cash and in-kind), total project value $131,680. Other contributors are $7,500 Alberta Livestock and Meat Agency/Jeroen De Buck, University of Calgary and /$2,500 PESAC grant, Dairy Farmers of Canada/Herman Barkema, University of Calgary and $1,000 CanWest Dairy Health Improvement, Ontario. The project proposes to evaluate the current prevalence of JD, Leukosis, BVD and contagious mastitis in the Saskatchewan dairy herd and, in the process, raise awareness of the importance and impact of these diseases amongst Saskatchewan dairy producers and their veterinarians. The use of molecular data will reveal the diversity of MAP isolates and may aid in the design and evaluation of the SK screening program.

What we set out to accomplish almost 9 years ago is finally starting to bear fruit for all of us through increased knowledge and different feed availability!

Thank You

Jack Ford

Dairy Herd Health and Screening Initiative

SaskMilk has started a screening initiative to determine the production limiting disease prevalence in Saskatchewan dairy herds.

Bulk milk samples were taken from all herds and are being tested for antibodies for MAP and Leukosis. PCR tests are being used to detect the presence of BVD and contagious mastitis. Results for contagious mastitis and Leukosis will be available next week.

Collection of 6 environmental fecal samples from manure concentration, manure storage and cow concentration areas for culture, isolation and molecular typing of MAP organisms will start the end of August.

If you have any questions or concerns regarding this study please contact:
Deb Haupstein at 306-721-9486

QUOTA LISTING SERVICE

SaskMilk offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the SaskMilk office at (306) 949-6999. All prices and negotiations will be independent of SaskMilk.

Please note that ads will be posted in two issues and will then be removed unless SaskMilk is notified otherwise.

- Eight Holstein heifers with papers – 12 months & 10 months old
  1 nine month old bull with TEE OFF SEYMAR
  1 bred heifer close to calving with paper
  Contact Peter Schwendemann (306) 225-4385
- Cows & Quota for Sale – (306) 862-7140
- Quota for Sale, 22.24 daily kgs, Hermann Studer, 306-594-2624

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